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Reagan Sidestepped '82 Security Order

Half of Advisory Panel Members Not Notified of Iran Arms Plan

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President Reagan ignored one of his own national security orders by failing to notify his senior advisers of a Jan. 17 intelligence document authorizing shipments of U.S. arms to Iran, informed sources said yesterday.

The ignored order was a "national security decision directive" (NSDD) approved by the National Security Council and signed by the president in 1982. It provided rules for presidential intelligence authorizations, known as "findings." Specifically, the 1982 order required that all findings be written and circulated among the eight senior members of the National Security Planning Group (NSPG) before being put into effect, sources said.

The 1982 NSDD is still in effect, sources said, and is being studied by the transition team brought to the National Security Council staff by the new national security adviser, Frank C. Carlucci.

Although Secretary of State George P. Shultz and Defense Secretary Caspar W. Weinberger objected in December 1985 and early January this year to the idea of selling U.S. arms to Iran, a finding dated Jan. 17 was signed by Reagan permitting the Iran sales. Half of the NSPG members—including the secretaries of state and defense—were unaware of the finding, sources said, and Reagan ordered Central Intelligence Agency Director William J. Casey in writing not to notify Congress of the finding.

One source said yesterday that the 1982 NSDD showed "that the system did not fail, the people did."

Another source said that a 1985 NSDD modified the 1982 order slightly, but that it is clear the process broke down in the Iran affair because the proper paperwork did not make it to the principals involved.

"There is every reason to tighten the process up," this source added. "I can't envision, no matter what the covert action, not wanting the NSC principals to know."

Meanwhile, controversy continued to develop between former national security adviser Robert C.

McFarlane and the White House over whether Reagan gave prior approval to the Israeli shipment of U.S. arms to Iran in September and November 1985, before the United States began shipping arms directly from U.S. military stocks.

McFarlane testified under oath Monday to the House Foreign Affairs Committee that Reagan authorized the Israeli shipments in August 1985. McFarlane also said

he believed notes had been taken when he met with the president, providing a record of the Reagan's decision even though the consent was oral.

The White House, however, continues to dispute McFarlane's testimony.

A National Security Council spokesman said yesterday that neither the president nor any current member of his staff remembers Reagan approving Israeli shipment of U.S. arms in August 1985.

One Reagan aide said that the president, prior to his Nov. 19 news conference, "had to be told about the third-country shipments" since he had no memory of them. Then, despite that earlier briefing, Reagan three times denied that there had been shipments of arms to Iran in 1985 by Israel or any third country.

Only 20 minutes after the news conference, the White House had to correct the president with a written "clarification" that there was a third country involved.

On Nov. 25, Attorney General Edwin Meese III said "the president was informed generally that there had been an Israeli shipment of weapons to Iran sometime during the late summer, early fall of 1985."

Meese, when pressed, said "our information is that the president knew about it probably after the fact and agreed with the general concept of continuing our discussions with the Israelis concerning these matters."

However, on Nov. 14, both White House chief of staff Donald T. Regan and then-national security adviser John M. Poindexter told reporters the president had given advance approval for the arms shipment.

Under McFarlane's reconstruction of events, the White House believed Reagan's approval of the 1985 Israeli shipments had the "standing" of a finding, even though it was given orally. McFarlane used the authorization, he told the Foreign Affairs Committee, to approve Israel's shipments in September and November 1985, and to assure the Israelis that the United States would replace their stocks.

McFarlane's version of the events also would represent another violation of the 1982 NSDD because the 1985 "finding" was not put into writing or circulated to the NSPG members.

McFarlane also told the committee that Reagan then informed his Cabinet members of his decision in one-on-one conversations.

The procedure outlined by the NSDD was not followed for the subsequent Jan. 17, 1986, finding that led to four shipments of American arms to Iran in February, May, August and October of this year. The usual National Security Council staff members did not draft the document, as was typically done with findings, and the sole copy of the finding was placed in Poindexter's safe, instead of being circulated to the NSPG members, according to Poindexter and other administration officials.

Four members of the NSPG were not informed of the Jan. 17 finding before it became public. They were Shultz, Weinberger, Treasury Secretary James A. Baker III and Adm. William J. Crowe Jr., chairman of the Joint Chiefs of Staff.

The other members, Vice President Bush, Casey, Meese and Regan, along with Poindexter, either participated in its drafting or were informed of its existence, sources said.

One source said earlier drafts of the finding may have been circulated to all of the NSPG members but that subsequently some were not shown the final document or informed that Reagan had signed it.

Staff writer David Hoffman contributed to this report.